

RESOLUTION NO. 2016 – 05

**RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY
TO THE COMMUNITY DEVELOPMENT COMMISSION AS THE NATIONAL CITY
REDEVELOPMENT AGENCY APPROVING A REAL PROPERTY PURCHASE AND
SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS FOR THE SALE
OF A CONDOMINIUM UNIT LOCATED AT 45 EAST 12TH STREET, NO. 401,
IN NATIONAL CITY TO CENTRO INDY, LLC**

WHEREAS, the Community Development Commission as the National City Redevelopment Agency ("Redevelopment Agency") owned that certain real property generally consisting of an approximate 901 square foot condominium unit and two (2) parking spaces located at 45 E. 12th Street; #401 (Assessor's Parcel No. 556-554-22-43) within the City of National City, County of San Diego, State of California ("Property"); and

WHEREAS, pursuant to California Health and Safety Code Section 34172, the Redevelopment Agency was dissolved by operation of law as of February 1, 2012, and pursuant to California Health and Safety Code Section 34173, the Successor Agency to the Community Development Commission as the National City Redevelopment Agency ("Successor Agency") became the successor agency and successor-in-interest to the Redevelopment Agency, confirmed by Resolution No. 2012-15 adopted on January 10, 2012, by the City Council of the City of National City ("City"); and

WHEREAS, in accordance with California Health and Safety Code Section 34191.5, the Property was listed on Successor Agency's Revised Long Range Property Management Plan ("LRPMP"), which provides that the Property is to be sold at fair market value, and the LRPMP has been approved by the Oversight Board of the Successor Agency ("Oversight Board") and the California Department of Finance ("DOF"). The LRPMP provided that the estimate of current value of the Property was \$195,000 based upon an appraisal by the Arens Group, Inc. dated September 6, 2011; and

WHEREAS, Centro Indy, LLC ("Buyer") has made an offer to purchase the Property from Successor Agency at the Property's current "as is" fair market value of \$325,000, and Successor Agency desires to sell the Property to Buyer pursuant to the terms and conditions of a proposed Real Property Purchase and Sale Agreement and Joint Escrow Instructions ("Agreement"). A copy of the proposed Agreement has been provided to the Oversight Board and the proposed Agreement will be submitted to the DOF for review if approved by the Oversight Board; and

WHEREAS, in accordance with the DOF-approved LRPMP, the net proceeds from the sale of the Property pursuant to the proposed Agreement will be distributed as property tax to each taxing entity in an amount proportionate to its share of property tax revenues; and

WHEREAS, at its regular meeting on May 18, 2016, the Oversight Board met, and considered approving the Agreement and the sale of the Property as provided in the Agreement; and

WHEREAS, a public notice was published in a newspaper of general circulation on May 6, 2016 providing notification of the public meeting of the Oversight Board on May 18, 2016 in compliance with the requirements of Health and Safety Code Sections 34181(a) and 34181(f); and

WHEREAS, the transfer of real property is not a "Project" under section 15378 of the California Environmental Quality Act ("CEQA") Guidelines because the proposed action consists of administrative activity that will not result in direct or indirect physical changes to the environment and, as such, pursuant to section 15061(b)(3) of the CEQA Guidelines is not subject to CEQA.

NOW, THEREFORE, BE IT RESOLVED, by the Oversight Board as follows:

SECTION 1. The Recitals set forth above are true and correct and are incorporated into this Resolution by reference.

SECTION 2. The Oversight Board hereby approves of the terms of the Agreement.

SECTION 3. The Oversight Board hereby approves of and directs the sale and conveyance of the Property from Successor Agency to Buyer in accordance with the terms and conditions set forth in the Agreement.

SECTION 4. The Oversight Board hereby approves of the transfer of all of the net proceeds received from the sale of the Property and the distribution of such proceeds to the taxing entities.

SECTION 5. The Oversight Board hereby authorizes and directs the Chairman or the Executive Director of the Successor Agency, or his or her designee, to execute the Agreement and any other documents necessary to carry out the sale of the Property and to take all actions and sign any and all documents necessary to implement and effectuate the Agreement and the actions approved by this Resolution as determined necessary by the Executive Director, or his or her designee, to execute all documents on behalf of the Successor Agency (including, without limitation, a grant deed), and to administer the Successor Agency's obligations, responsibilities and duties to be performed pursuant to this Resolution and the Agreement.

SECTION 6. If any provision of this Resolution or the application of any such provision to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution that can be given effect without the invalid provision or application, and to this end, the provisions of this Resolution are severable. The Oversight Board declares that its Board would have adopted this Resolution irrespective of the invalidity of any particular portion of this Resolution.

SECTION 7. The Oversight Board Secretary and/or Successor Agency Secretary shall certify to the adoption of this Resolution.

[Signature Page to Follow]

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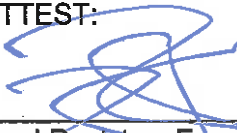
PASSED and ADOPTED this 18th day of May, 2016.

AYES: Fellows, Carson, Morrison, Perri, Kerl
NOES: None
ABSENT: Desrochers, McCarthy
ABSTAIN: None



Ron Morrison, Chairman

ATTEST:



Brad Raulston, Executive Director
Secretary to the Oversight Board

APPROVED AS TO FORM:



Edward Z. Kotkin
Oversight Board Counsel

**REAL PROPERTY PURCHASE AND SALE AGREEMENT
AND
JOINT ESCROW INSTRUCTIONS**

by and between

**SUCCESSOR AGENCY TO THE COMMUNITY DEVELOPMENT COMMISSION
AS THE NATIONAL CITY REDEVELOPMENT AGENCY, a public entity duly
created and validly existing under the laws of the State of California and successor-in-
interest to the former Community Development Commission as the National City
Redevelopment Agency**

and

CENTRO INDY, LLC, an Indiana limited liability company

**REAL PROPERTY PURCHASE AND SALE AGREEMENT
AND
JOINT ESCROW INSTRUCTIONS**

**45 E. 12th Street; #401
National City, California
(APN # 556-554-22-43)**

This REAL PROPERTY PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS ("Agreement") is dated as of _____, 2016, and is entered into by and between the SUCCESSOR AGENCY TO THE COMMUNITY DEVELOPMENT COMMISSION AS THE NATIONAL CITY REDEVELOPMENT AGENCY, a public entity duly created and validly existing under the laws of the State of California and successor-in-interest to the former Community Development Commission as the National City Redevelopment Agency ("Successor Agency" or "Seller"), and CENTRO INDY, LLC, an Indiana limited liability company ("Buyer"). Seller and Buyer enter into this Agreement with reference to the following recitals of fact (each, a "Recital"):

RECITALS

A. The Community Development Commission as the National City Redevelopment Agency ("Redevelopment Agency") owned that certain real property generally consisting of an approximate 901 square foot condominium unit and two (2) parking spaces located at 45 E. 12th Street; #401 (Assessor's Parcel No. 556-554-22-43) within the City of National City, County of San Diego, State of California, as specifically described in Section 1 of this Agreement as the "Property"; and

B. Pursuant to California Health and Safety Code Section 34172, the Redevelopment Agency was dissolved by operation of law as of February 1, 2012, and pursuant to California Health and Safety Code Section 34173, Seller became the successor agency and successor-in-interest to the Redevelopment Agency, confirmed by Resolution No. 2012-15 adopted on January 10, 2012, by the City Council of the City of National City ("City"); and

C. In accordance with California Health and Safety Code Section 34191.5, the Property was listed on Seller's Long Range Property Management Plan ("LRPMP"), which provides that the Property is to be sold at fair market value, and the LRPMP has been approved by the Oversight Board of the Successor Agency to the Community Development Commission as the National City Redevelopment Agency ("Oversight Board") and the California Department of Finance; and

D. Buyer has made an offer to purchase the Property from Seller at the Property's current "as is" fair market value, and Seller desires to sell the Property to Buyer pursuant to the terms and conditions of this Agreement.

AGREEMENT

NOW, THEREFORE, IN CONSIDERATION OF THE PROMISES AND COVENANTS OF SELLER AND BUYER SET FORTH IN THIS AGREEMENT AND OTHER GOOD AND VALUABLE CONSIDERATION, SELLER AND BUYER AGREE, AS FOLLOWS:

TERMS AND CONDITIONS

1. DEFINITIONS

1.1 **Definitions.** The following words, terms and phrases are used in this Agreement with the following meanings, unless the particular context or usage of a word, term or phrase requires another interpretation:

1.1.1 **Affiliate.** (1) any Person directly or indirectly controlling, controlled by or under common control with another Person; (2) any Person owning or controlling ten percent (10%) or more of the outstanding voting securities of such other Person; or (3) if that other Person is an officer, director, member or partner, any company for which such Person acts in any such capacity. The term "control" as used in the immediately preceding sentence, means the power to direct the management or the power to control election of the board of directors. It shall be a presumption that control with respect to a corporation or limited liability company is the right to exercise or control, directly or indirectly, more than fifty percent (50%) of the voting rights attributable to the controlled corporation or limited liability company, and, with respect to any individual, partnership, trust, other entity or association, control is the possession, indirectly or directly, of the power to direct or cause the direction of the management or policies of the controlled entity. It shall also be a presumption that the manager of a limited liability company controls such limited liability company.

1.1.2 **Agreement.** This Real Property Purchase and Sale Agreement and Joint Escrow Instructions by and between Seller and Buyer, including all of the attached Exhibits.

1.1.3 **Approval.** Any approval, consent, certificate, ruling, authorization, or amendment to any of the foregoing, as shall be necessary or appropriate under any Law to complete the purchase and sale of the Property.

1.1.4 **Bankruptcy Law.** Title 11 of the United State Code or any other or successor State or Federal statute relating to assignment for the benefit of creditors, appointment of a receiver or trustee, bankruptcy, composition, insolvency, moratorium, reorganization, or similar matters.

1.1.5 **Bankruptcy Proceeding.** Any proceeding, whether voluntary or involuntary, under any Bankruptcy Law.

1.1.6 **Business Day.** Any weekday on which the Seller is open to conduct regular governmental functions.

1.1.7 **Buyer.** Centro Indy, LLC, an Indiana limited liability company, and any

assignee of or successor to the rights, powers, or responsibilities of Buyer under this Agreement.

1.1.8 Buyer Title Policy. A standard CLTA owners' policy of title insurance issued by the Title Company, with coverage in the amount of the Purchase Price, showing title to the Property vested in Buyer, subject to Permitted Exceptions.

1.1.9 CEQA. The California Environmental Quality Act, Public Resources Code Section 21000, *et seq.* and implementing regulations contained in Title 14, Chapter 3, Section 15000, *et seq.* of the California Code of Regulations.

1.1.10 CEQA Documents. Any exemption determination, any Negative Declaration (mitigated or otherwise) or any Environmental Impact Report (including any addendum or amendment to, or subsequent or supplemental Environmental Impact Report) required or permitted by any Government, pursuant to CEQA, to issue any discretionary Approval required to approve this Agreement.

1.1.11 City. The City of National City, a California municipal corporation.

1.1.12 Claim. Any claim, loss, cost, damage, expense, liability, lien, action, cause of action (whether in tort, contract, under statute, at law, in equity or otherwise), charge, award, assessment, fine or penalty of any kind (including consultant and expert fees and expenses and investigation costs of whatever kind or nature and, if an Indemnitor improperly fails to provide a defense for an Indemnitee, then Legal Costs of the Indemnitee) and any judgment.

1.1.13 Close of Escrow. The first date on which the Escrow Agent has filed the Grant Deed with the County for recording in the official records of the County.

1.1.14 Control. Possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether by ownership or Equity Interests, by contract or otherwise.

1.1.15 County. The County of San Diego, California.

1.1.16 Default. An Escrow Default, a Monetary Default, or a Non-Monetary Default.

1.1.17 Default Interest. Interest at an annual rate equal to the lesser of (a) eight percent (8%) per annum; or (b) the Usury Limit.

1.1.18 Deposit. Three Thousand Two Hundred Fifty and No/100 DOLLARS (\$3,250).

1.1.19 Effective Date. Defined in Section 2 of this Agreement.

1.1.20 Environmental Claim. Any and all claims, demands, damages, losses, liabilities, obligations, penalties, fines, actions, causes of action, judgments, suits, proceedings, costs, disbursements or expenses, including Legal Costs and fees and costs of environmental consultants and other experts, and all foreseeable and unforeseeable damages or costs of any kind or of any nature whatsoever,

directly or indirectly, relating to or arising from any actual or alleged violation of any Environmental Law or Hazardous Substance Discharge.

1.1.22 Environmental Laws. All Federal, State, local (including City) laws, rules, orders, regulations, statutes, ordinances, codes, decrees, or requirements of any Government authority, now in effect or enacted after the Effective Date of this Agreement, regulating, relating to, or imposing liability or standards of conduct concerning any Hazardous Substance, the regulation or protection of the environment, including ambient air, soil, soil vapor, groundwater, surface water, or land use or pertaining to occupational health or industrial hygiene or occupational or environmental conditions on, under or about the Property, as now or may at any later time be in effect, including the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA") [42 U.S.C. § 9601 *et seq.*]; the Resource Conservation and Recovery Act of 1976 ("RCRA") [42 U.S.C. § 6901 *et seq.*]; the Clean Water Act, also known as the Federal Water Pollution Control Act ("FWPCA") [33 U.S.C. § 1251 *et seq.*]; the Toxic Substances Control Act ("TSCA") [15 U.S.C. § 2601 *et seq.*]; the Hazardous Materials Transportation Act ("HMTA") [49 U.S.C. § 1801 *et seq.*]; the Insecticide, Fungicide, Rodenticide Act [7 U.S.C. § 6901 *et seq.*]; the Clean Air Act [42 U.S.C. § 7401 *et seq.*]; the Safe Drinking Water Act [42 U.S.C. § 300f *et seq.*]; the Solid Waste Disposal Act [42 U.S.C. § 6901 *et seq.*]; the Surface Mining Control and Reclamation Act [30 U.S.C. § 101 *et seq.*]; the Emergency Planning and Community Right to Know Act [42 U.S.C. § 11001 *et seq.*]; the Occupational Safety and Health Act [29 U.S.C. §§ 655 and 657]; the California Underground Storage of Hazardous Substances Act [California Health and Safety Code § 25300 *et seq.*]; the California Safe Drinking Water and Toxic Enforcement Act [California Health and Safety Code § 24249.5 *et seq.*]; or the Porter-Cologne Water Quality Act [California Water Code § 13000 *et seq.*]; together with any regulations promulgated under the authorities referenced in this Section.

1.1.23 Equity Interest. All or any part of any direct equity or ownership interest(s) (whether stock, partnership interest, beneficial interest in a trust, membership interest in a limited liability company, or other interest of an ownership or equity nature) in any entity, at any tier of ownership, that directly owns or holds any ownership or equity interest in a Person.

1.1.24 Escrow. An escrow, as defined in California Civil Code Section 1057 and California Financial Code Section 17003(a), that is conducted by the Escrow Agent with respect to the sale of the Property from Seller to Buyer pursuant to this Agreement.

1.1.25 Escrow Agent. Carla Burchard, Stewart Title of California, Inc., or such other Person mutually agreed upon in writing by both Seller and Buyer.

1.1.26 Escrow Closing Date. The earlier of: (a) on or before the fifth (5th) Business Day following the Escrow Agent's receipt of written confirmation from both Seller and Buyer of the satisfaction or waiver of all conditions precedent to the Close of Escrow; (b) the date that is sixty (60) calendar days following the Escrow Opening Date; or (c) another date mutually agreed upon in writing between the Parties for the Close of Escrow.

1.1.27 Escrow Closing Statement. A statement prepared by the Escrow Agent indicating, among other things, the Escrow Agent's estimate of all funds to be deposited or received by Seller or Buyer, respectively, and all charges to be paid by Seller or Buyer, respectively, through the Escrow.

1.1.28 Escrow Default. The unexcused failure of a Party to submit any document or funds to the Escrow Agent as reasonably necessary to close the Escrow, pursuant to the terms and conditions of this Agreement.

1.1.29 Escrow Opening Date. The first date on which a copy of this Agreement, signed by both Seller and Buyer, is deposited with the Escrow Agent, as provided in Section 3.1 of this Agreement.

1.1.30 Event of Default. The occurrence of any one or more of the following:

(a) **Monetary Default.** A Monetary Default that continues for fifteen (15) calendar days after Notice to the Party in Default, specifying in reasonable detail the amount of money not paid and the nature and calculation of each such amount or the bond, surety, or insurance not provided;

(b) **Escrow Closing Default.** An Escrow Default that continues for seven (7) calendar days after Notice to the Party in Default, specifying in reasonable detail the document or funds not submitted to the Escrow Agent;

(c) **Bankruptcy or Insolvency.** Buyer admits in writing that Buyer is unable to pay Buyer's debts as they become due or Buyer becomes subject to any Bankruptcy Proceeding, or a custodian or trustee is appointed to take possession of, or an attachment, execution or other judicial seizure is made with respect to, substantially all of Buyer's assets or Buyer's interest in this Agreement or the Property;

(d) **Transfer.** The occurrence of a Transfer, whether voluntarily or involuntarily or by operation of Law, in violation of the terms or conditions of this Agreement;

(e) **Non-Monetary Default.** Any Non-Monetary Default, other than those specifically addressed in Subsections (c) or (d) above, that is not cured within fifteen (15) calendar days after Notice to the Party in Default describing the Non-Monetary Default in reasonable detail. In the case of such a Non-Monetary Default that cannot with reasonable diligence be cured within fifteen (15) calendar days after the effective date of such Notice, an Event of Default shall occur, if the Party in Default does not do all of the following: (a) within fifteen (15) calendar days after Notice of such Non-Monetary Default, advise the other Party of the intention of the Party in Default to take all reasonable steps to cure such Non-Monetary Default; (b) duly commence such cure within such fifteen (15) calendar day period; and (c) diligently prosecute such cure to completion within a reasonable time under the circumstances.

1.1.31 Executive Director. The Executive Director of Seller or his or her designee or successor in function.

1.1.32 Federal. The federal government of the United States of America.

1.1.33 FIRPTA Affidavit. A certification that Seller is not a "foreign person" within the meaning of such term under Section 1445 of the United States Internal Revenue Code.

1.1.34 Form 593. A California Franchise Tax Board Form 593-C.

1.1.35 Government. Any and all courts, boards, agencies, commissions, offices, or authorities of any nature whatsoever of any governmental unit (Federal, State, County, district, municipal, City or otherwise) whether now or later in existence. It is acknowledged that Seller and the City are forms of Government.

1.1.36 Grant Deed. A grant deed conveying Seller's interest in the Property from Seller to Buyer, at the Close of Escrow, substantially in the form of Exhibit "B" attached to this Agreement and incorporated herein by this reference.

1.1.37 Hazardous Substance. Any flammable substance, explosive, radioactive material, asbestos, asbestos-containing material, polychlorinated biphenyl, chemical known to cause cancer or reproductive toxicity, pollutant, contaminant, hazardous waste, medical wastes, toxic substance or related material, petroleum, petroleum product and any "hazardous" or "toxic" material, substance or waste that is defined by those or similar terms or is regulated as such under any Law, including any material, substance or waste that is: (a) defined as a "hazardous substance" under Section 311 of the Water Pollution Control Act (33 U.S.C. § 1317), as amended; (b) designated as "hazardous substances" pursuant to 33 U.S.C. § 1321; (c) defined as a "hazardous waste" under Section 1004 of the Resource Conservation and Recovery Act of 1976, 42 U.S.C. § 6901 *et seq.*, as amended; (d) defined as a "hazardous substance" or "hazardous waste" under Section 101 of the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended by the Superfund Reauthorization Act of 1986, 42 U.S.C. § 9601 *et seq.*, or any so-called "superfund" or "superlien" law; (e) defined as a "pollutant" or "contaminant" under 42 U.S.C. § 9601(33); (f) defined as "hazardous waste" under 40 C.F.R. Part 260; (g) defined as a "hazardous chemical" under 29 C.F.R. Part 1910; (h) any matter within the definition of "hazardous substance" set forth in 15 U.S.C. § 1262; (i) any matter, waste or substance regulated under the Toxic Substances Control Act ("TSCA") [15 U.S.C. Sections 2601 *et seq.*]; (j) any matter, waste or substance regulated under the Hazardous Materials Transportation Act, 49 U.S.C. Sections 1801 *et seq.*; (k) those substances listed in the United States Department of Transportation (DOT) Table [49 C.F.R. 172.101]; (l) any matter, waste or substances designated by the EPA, or any successor authority, as a hazardous substance [40 C.F.R. Part 302]; (m) defined as "hazardous waste" in Section 25117 of the California Health and Safety Code; (n) defined as a "hazardous substance" in Section 25316 of the California Health and Safety Code; (o) subject to any other Law regulating, relating to or imposing obligations, liability or standards of conduct concerning protection of human health, plant life, animal life, natural resources, property or the enjoyment of life or property free from the presence in the environment of any solid, liquid, gas, odor or any form of energy from whatever source; or (p) that is or becomes regulated or classified as hazardous or toxic under Law or in the regulations adopted pursuant to Law.

1.1.38 Hazardous Substance Discharge. Any deposit, discharge, generation, release or spill of a Hazardous Substance that occurs at, on, under, into or from the Property, or during transportation of any Hazardous Substance to or from the Property, or that arises at any time from any construction, installation, use or operation or other activities conducted at, on,

under or from the Premises, whether or not caused by a Party.

1.1.39 Indemnify. Where this Agreement states that any Indemnitor shall "indemnify" any Indemnitee from, against, or for a particular Claim, that the Indemnitor shall indemnify the Indemnitee and protect, defend and hold the Indemnitee harmless from and against such Claim (alleged or otherwise). "Indemnified" shall have the correlative meaning.

1.1.40 Indemnitee. Any Person entitled to be Indemnified under the terms of this Agreement.

1.1.41 Indemnitor. A Party that agrees to Indemnify any other Person under the terms of this Agreement.

1.1.42 Law. Every law, ordinance, requirement, order, proclamation, directive, rule or regulation of any Government applicable to the Property, in any way, including relating to any development, construction, use, maintenance, taxation, operation, occupancy of or environmental conditions affecting the Property or otherwise relating to this Agreement or any Party's rights, obligations or remedies under this Agreement, or any Transfer of any of the foregoing, whether in force on the Effective Date or passed, enacted, modified, amended or imposed at some later time, subject in all cases, however, to any applicable waiver, variance or exemption.

1.1.43 Legal Costs. In reference to any Person, all reasonable costs and expenses such Person incurs in any legal proceeding or other matter for which such Person is entitled to be reimbursed for its Legal Costs, including reasonable attorneys' fees, court costs and expenses and consultant and expert witness fees and expenses.

1.1.44 Lender. The holder of any Security Instrument and the successors and assigns of such holder.

1.1.45 LRPMP. The Long Range Property Management Plan prepared by Seller and approved by the Oversight Board of the Successor Agency to the Community Development Commission as the National City Redevelopment Agency and the California Department of Finance, in accordance with California Health and Safety Code Section 34191.5.

1.1.46 Monetary Default. Any failure by either Party to pay or deposit, when and as this Agreement requires, any amount of money, bond, surety or evidence of any insurance coverage required to be provided under this Agreement, whether to or with a Party or a Third Person.

1.1.47 Non-Monetary Default. The occurrence of any of the following, except to the extent constituting a Monetary Default or an Escrow Default: (a) any failure of a Party to perform any of such Party's obligations under this Agreement; (b) any failure of a Party to comply with any material restriction or prohibition in this Agreement; or (c) any other event or circumstance that, with passage of time or giving of Notice, or both, would constitute a breach of this Agreement by a Party.

1.1.48 Notice. Any consent, demand, designation, election, notice, or request relating to this Agreement, including any Notice of Default. All Notices must be in writing.

1.1.49 Notice of Default. Any Notice claiming or giving Notice of a Default.

1.1.50 Notify. To give a Notice.

1.1.51 Oversight Board. The Oversight Board of the Successor Agency to the Community Development Commission as the National City Redevelopment Agency established pursuant to California Health and Safety Code Section 34179(h).

1.1.52 Parties. Collectively, Seller and Buyer.

1.1.53 Party. Individually, either Seller or Buyer, as applicable.

1.1.54 Permitted Exception. All of the following: (a) all items shown in the Preliminary Report as exceptions to coverage under the proposed Buyer Title Policy; (b) any lien for non-delinquent property taxes or assessments; (c) any Laws applicable to the Property; (d) this Agreement; (e) any existing improvements on the Property; (f) any Approval; (g) any other document or encumbrance expressly required or allowed to be recorded against the Property pursuant to the terms of this Agreement; and (h) all covenants, conditions, restrictions, reservations, rights, rights of way, easements, encumbrances, liens and other matters of record or that would be disclosed by an accurate inspection or survey of the Property.

1.1.55 Person. Any association, corporation, governmental entity or agency, individual, joint venture, joint-stock company, limited liability company, partnership, trust, unincorporated organization or other entity of any kind.

1.1.56 Preliminary Report. A preliminary report issued by the Title Company in contemplation of the issuance of the Buyer Title Policy, accompanied by the best available copies of all documents listed in the preliminary report as exceptions to coverage under the proposed Buyer Title Policy.

1.1.57 Property. That certain real property specifically described in Exhibit "A" attached to this Agreement and incorporated herein by this reference.

1.1.58 Purchase Price. Three Hundred Twenty-Five Thousand Dollars and No/100 DOLLARS (\$325,000), which is the "as-is" fair market value of the fee simple interest estate of the Property as of January 20, 2016, pursuant to that certain appraisal report conducted by David Paine of Paine & Associates.

1.1.59 Real Estate Taxes. All general and special real estate taxes (including taxes on fixtures and equipment, sales taxes, use taxes and the like), supplemental taxes, possessory interest taxes, special taxes imposed pursuant to a special taxing district, assessments, municipal water and sewer rents, rates and charges, excises, levies, license and permit fees, fines, penalties and other governmental charges and any interest or costs with respect thereto, general and special, ordinary and extraordinary, foreseen and unforeseen, of any kind or nature

whatsoever regarding the Property that may be assessed, levied, imposed upon, or become due and payable out of or in respect of, or charged with respect to or become a lien on, the Property.

1.1.60 Seller. The Successor Agency to the Community Development Commission as the National City Redevelopment Agency, a public entity duly created and validly existing under the laws of the State of California and successor-in-interest to the former Community Development Commission as the National City Redevelopment Agency.

1.1.61 Seller Parties. Collectively, the Seller, the Seller's governing body, and the Seller's elected officials, employees, agents and attorneys.

1.1.62 State. The State of California.

1.1.63 Third Person. Any Person that is not a Party, an Affiliate of a Party or an elected official, officer, director, manager, shareholder, member, principal, partner, employee or agent of a Party.

1.1.64 Title Company. Stewart Title of California, Inc., or such other Person mutually agreed upon in writing by both Seller and Buyer.

1.1.65 Transfer. Regarding any property, right or obligation, any of the following whether by operation of Law or otherwise, whether voluntary or involuntary, and whether direct or indirect: (a) any assignment, conveyance, grant, hypothecation, mortgage, pledge, sale, or other transfer, whether direct or indirect, of all or any part of such property, right or obligation, or of any legal, beneficial, or equitable interest or estate in such property, right or obligation or any part of it (including the grant of any easement, lien, or other encumbrance); (b) any conversion, exchange, issuance, modification, reallocation, sale, or other transfer of any Equity Interest(s) in the owner of such property, right or obligation by the holders of such Equity Interest(s); or (c) any transaction that is in substance equivalent to any of the foregoing. A transaction affecting Equity Interests, as referred to in clauses (b) or (c) above of this Section, shall be deemed a Transfer by Buyer, even though Buyer is not technically the transferor. A "Transfer" shall not, however, include any of the following (provided that the other Party has received Notice of such occurrence) relating to the Property or any Equity Interest: (i) a mere change in the form of ownership with no material change in beneficial ownership and constitutes a tax-free transaction under Federal income tax law and the State real estate transfer tax law; (ii) a conveyance only to member(s) of the immediate family(ies) of the transferor(s) or trusts for their benefit; or (iii) a conveyance only to a Person that, as of the Effective Date, holds an Equity Interest in the entity whose Equity Interest is being transferred.

1.1.66 Unavoidable Delay. A delay in either Party performing any obligation under this Agreement arising from or on account of any cause whatsoever beyond the Party's reasonable control, including strikes, labor troubles or other union activities, casualty, war, acts of terrorism, riots, litigation, governmental action or inaction, regional natural disasters or inability to obtain required materials. Unavoidable Delay shall not include delay caused by a Party's financial condition or insolvency.

1.1.67 Usury Limit. The highest rate of interest, if any, that Law allows under the circumstances.

2. EFFECTIVE DATE

This Agreement shall become effective on the first date on which all of the following have occurred ("Effective Date"): (a) Seller has received three (3) counterpart originals of this Agreement signed by the authorized representative(s) of Buyer; (b) this Agreement has been approved by Seller's governing body and executed by Seller's Executive Director; (c) this Agreement, including the purchase and sale of the Property pursuant to this Agreement, has been approved by the Oversight Board; and (d) this Agreement, including the purchase and sale of the Property pursuant to this Agreement, as approved by the Oversight Board, has been approved by the California Department of Finance or the California Department of Finance has failed to request review of such action within the timeframes set forth in California Health and Safety Code Sections 34179(h) and 34181(f) or the California Department of Finance has provided in writing its election not to review such action as contemplated in California Health and Safety Code Section 34191.5(f).

3. PURCHASE AND SALE OF PREMISES

3.1 Escrow. Seller shall sell and convey fee title to the Property to Buyer and Buyer shall purchase and acquire fee title to the Property from Seller, subject to the Permitted Exceptions and the terms and conditions of this Agreement. For the purposes of exchanging funds and documents to complete the sale of the Property from Seller to Buyer and the purchase of the Property by Buyer from Seller, pursuant to the terms and conditions of this Agreement, Seller and Buyer agree to open the Escrow with the Escrow Agent. The provisions of Section 4 of this Agreement are, and shall constitute, the joint escrow instructions of the Parties to the Escrow Agent for conducting the Escrow.

3.2 Consideration. Buyer shall purchase the Property from Seller for the Purchase Price, subject to the terms and conditions of this Agreement. Buyer shall deposit the Purchase Price into the Escrow, as follows:

3.2.1 Deposit. Upon the Escrow Opening Date, Buyer shall deposit the Deposit into the Escrow. The Deposit shall be non-refundable unless this Agreement is thereafter terminated due to a Seller default, the failure of a Buyer's condition to Close of Escrow, a termination of this Agreement not due to Buyer's default, or as otherwise expressly provided in this Agreement. The Deposit shall be held in Escrow until the Close of Escrow and shall be applied to the Purchase Price.

3.2.2 Remaining Purchase Price. At least one (1) Business Day before the Escrow Closing Date, Buyer shall deposit into the Escrow the amount of the Purchase Price less the amount of the Deposit.

3.3 Buyer's Approval of Title to Property. Buyer acknowledges and agrees that it has received the Preliminary Report for the Property and has approved the status of title to the Property.

3.4 "AS-IS" Acquisition. The Close of Escrow shall evidence Buyer's unconditional and irrevocable acceptance of the Property in the Property's AS IS, WHERE IS, SUBJECT TO ALL FAULTS CONDITION, AS OF THE CLOSE OF ESCROW, WITHOUT

WARRANTY as to character, quality, performance, condition, title, physical condition, soil conditions, the presence or absence of fill, shoring or bluff stability or support, subsurface or lateral support, zoning, land use restrictions, the availability or location of utilities or services, the location of any public infrastructure on or off of the Property (active, inactive or abandoned), the suitability of the Property or the existence or absence of Hazardous Substances affecting the Property and with full knowledge of the physical condition of the Property, the nature of Seller's interest in and use of the Property, all laws applicable to the Property and any and all conditions, covenants, restrictions, encumbrances and all matters of record relating to the Property. The Close of Escrow shall further constitute Buyer's representation and warranty to Seller that: (a) Buyer has had ample opportunity to inspect and evaluate the Property and the feasibility of the uses and activities Buyer is entitled to conduct on the Property; (b) Buyer is relying entirely on Buyer's experience, expertise and Buyer's own inspection of the Property in the Property's current state in proceeding with acquisition of the Property; (c) Buyer accepts the Property in the Property's present condition; (d) to the extent that Buyer's own expertise with respect to any matter regarding the Property is insufficient to enable Buyer to reach an informed conclusion regarding such matter, Buyer has engaged the services of Persons qualified to advise Buyer with respect to such matters; (e) Buyer has received assurances acceptable to Buyer by means independent of Seller or Seller's agents of the truth of all facts material to Buyer's acquisition of the Property pursuant to this Agreement; and (f) the Property is being acquired by Buyer as a result of Buyer's own knowledge, inspection and investigation of the Property and not as a result of any representation made by Seller or Seller's agents relating to the condition of the Property, unless such statement or representation is expressly and specifically set forth in this Agreement. Seller hereby expressly and specifically disclaims any express or implied warranties regarding the Property.

3.5 Reservations. The approval of this Agreement by Seller shall not be binding on the City Council of the City or any commission, committee, board or body of the City regarding any other Approvals required by such bodies. No action by Seller with reference to this Agreement or any related documents shall be deemed to constitute issuance or waiver of any required Approvals regarding the Property or Buyer.

3.6 Non-Discrimination.

3.6.1 Buyer herein covenants by and for itself, its heirs, executors, administrators and assigns, and all persons claiming under or through Buyer, that there shall be no discrimination against or segregation of any person or group of persons, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the Property, nor shall Buyer itself, or any person claiming under or through Buyer, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy, of tenants, lessees, sublessees, subtenants, or vendees of the Property. The foregoing covenants shall run with the land.

3.6.2 Buyer herein further covenants by and for itself, its heirs, executors, administrators and assigns, and all persons claiming under or through Buyer, that there shall

be no discrimination on the basis of race, gender, religion, national origin, ethnicity, sexual orientation, age or disability in the solicitation, selection, hiring or treatment of any contractors or consultants, to participate in subcontracting/subconsulting opportunities.

3.6.3 Buyer understands and agrees that violation of any Subsection of this Section 3.6 shall be considered a material breach of this Agreement and may result in termination, debarment or other sanctions.

3.7 Form of Nondiscrimination and Nonsegregation Clauses. All deeds, leases or contracts made relative to the Property, improvements thereon, or any part thereof, shall contain or be subject to substantially the following nondiscrimination or nonsegregation clauses:

3.7.1 (a) (1) In deeds: "The grantee herein covenants by and for himself or herself, his or her heirs, executors, administrators, and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the premises herein conveyed, nor shall the grantee or any person claiming under or through him or her, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the premises herein conveyed. The foregoing covenants shall run with the land."

(2) Notwithstanding paragraph (1), with respect to familial status, paragraph (1) shall not be construed to apply to housing for older persons, as defined in Section 12955.9 of the Government Code. With respect to familial status, nothing in paragraph (1) shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11, and 799.5 of the Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and Section 1360 of the Civil Code and subdivisions (n), (o), and (p) of Section 12955 of the Government Code shall also apply to the above paragraph.

3.7.2 (a) (1) In leases: "The lessee herein covenants by and for himself or herself, his or her heirs, executors, administrators, and assigns, and all persons claiming under or through him or her, and this lease is made and accepted upon and subject to the following conditions: That there shall be no discrimination against or segregation of any person or group of persons, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the leasing, subleasing, transferring, use, occupancy, tenure, or enjoyment of the premises herein leased nor shall the lessee himself or herself, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy, of tenants, lessees, sublessees, subtenants, or vendees in the premises herein leased."

(2) Notwithstanding paragraph (1), with respect to familial status, paragraph (1) shall not be construed to apply to housing for older persons, as defined in Section 12955.9 of the Government Code. With respect to familial status, nothing in paragraph (1) shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11, and 799.5 of the Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and Section 1360 of the Civil Code and subdivisions (n), (o), and (p) of Section 12955 of the Government Code shall apply to the above paragraph.

3.7.3 In contracts: "There shall be no discrimination against or segregation of any person or group of persons, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the Property, nor shall the grantee or transferee itself or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy, of tenants, lessees, sublessees, subtenants, or vendees of the Property."

3.8 Effect and Duration of Covenants. The covenants established in this Agreement shall run with the land, without regard to technical classification and designation, and shall be for the benefit and in favor of and enforceable against the original Buyer, or if the Buyer is no longer the owner, then against its successors in interest, assigns and heirs. Unless set forth otherwise, the covenants described in Section 3.7 shall commence upon the Close of Escrow and shall be set forth and shall run for the time periods set forth in the applicable Grant Deed.

4. JOINT ESCROW INSTRUCTIONS

4.1 Opening of Escrow. The purchase and sale of the Property shall take place through the Escrow to be conducted by Escrow Agent. Escrow shall be deemed opened when a fully signed copy of this Agreement has been delivered to Escrow Agent. Escrow Agent shall confirm the Escrow Opening Date in writing to each of the Parties, with a copy of the Escrow Agent Consent signed by the authorized representative(s) of the Escrow Agent.

4.2 Escrow Instructions. This Section 4 constitutes the joint escrow instructions of the Parties to Escrow Agent for conduct of the Escrow for the purchase and sale of the Property, as contemplated by this Agreement. Buyer and Seller shall sign such further escrow instructions consistent with the provisions of this Agreement as may be reasonably requested by Escrow Agent. In the event of any conflict between the provisions of this Agreement and any further escrow instructions requested by Escrow Agent, the provisions of this Agreement shall control.

4.3 Escrow Agent Authority. Seller and Buyer authorize Escrow Agent to:

4.3.1 Charges. Pay and charge Seller and Buyer for their respective shares of the applicable fees, taxes, charges and costs payable by either Seller or Buyer regarding the Escrow;

4.3.2 Settlement/Closing Statements. Release each Party's Escrow Closing Statement to the other Party;

4.3.3 Document Recording. File any documents delivered for recording through the Escrow with the office of the Recorder of the County for recordation in the official records of the County, pursuant to the joint instructions of the Parties; and

4.3.4 Counterpart Documents. Utilize documents signed by Seller or Buyer in counterparts, including attaching separate signature pages to one original of the same document.

4.4 Buyer's Conditions Precedent to Close of Escrow. Provided that the failure of any such condition to be satisfied is not due to a Default under this Agreement by Buyer, Buyer's obligation to purchase the Property from Seller on the Escrow Closing Date shall be conditioned upon the satisfaction or waiver (waivers must be in writing and signed by Buyer) of each of the following conditions on or before the Escrow Closing Date:

4.4.1 Title Policy. Title Company has agreed to issue the Buyer Title Policy to Buyer upon payment of Title Company's premium for such policy;

4.4.2 CEQA Documents. Adoption, approval or certification of the CEQA Documents by each applicable Government;

4.4.3 Seller Escrow Deposits. Seller deposits all of the items into Escrow required by Section 4.7 of this Agreement;

4.4.4 Settlement/Closing Statement. Buyer reasonably approves Buyer's Escrow Closing Statement; and

4.4.5 Seller Pre-Closing Obligations. Seller performs all of Seller's material obligations required to be performed by Seller pursuant to this Agreement prior to the Close of Escrow.

4.5 Seller's Conditions Precedent to Close of Escrow. Provided that the failure of any such condition to be satisfied is not due to a Default under this Agreement by Seller, Seller's obligation to sell the Property to Buyer on the Escrow Closing Date shall be conditioned upon the satisfaction or waiver (waivers must be in writing and signed by Seller) of each of the following conditions precedent on or before the Escrow Closing Date:

4.5.1 CEQA Documents. Adoption, approval or certification of the CEQA Documents by each applicable Government;

4.5.2 Buyer Escrow Deposits. Buyer deposits all of the items into Escrow required by Section 4.6 of this Agreement;

4.5.3 Settlement/Closing Statement. Seller reasonably approves Seller's Escrow Closing Statement; and

4.5.4 Title Policy. The Company has agreed to issue the Buyer Title Policy

to Buyer upon payment of Title Company's premium for such policy;

4.5.5 Buyer Pre-Closing Obligations. Buyer performs all of Buyer's material obligations required to be performed by Buyer pursuant to this Agreement prior to Close of Escrow.

4.6 Buyer's Escrow Deposits. Buyer shall deposit the following items into Escrow and, concurrently, provide a copy of each document submitted into Escrow to Seller, at least one (1) Business Day prior to the Escrow Closing Date:

4.6.1 Closing Funds. All amounts required to be deposited into Escrow by Buyer under the terms of this Agreement to close the Escrow;

4.6.2 Certificate of Grant Deed Acceptance. The Certificate of Acceptance attached to the Grant Deed signed by Buyer in recordable form;

4.6.3 Escrow Closing Statement. The Buyer's Escrow Closing Statement signed by the authorized representative(s) of Buyer; and

4.6.4 Other Reasonable Items. Any other documents or funds required to be delivered by Buyer under the terms of this Agreement or as otherwise reasonably requested by Escrow Agent or Title Company in order to close the Escrow or comply with applicable Law that have not previously been delivered by Buyer.

4.7 Seller's Escrow Deposits. Seller shall deposit the following documents into Escrow and, concurrently, provide a copy of each document deposited into Escrow to Buyer, at least one (1) Business Day prior to the Escrow Closing Date:

4.7.1 Grant Deed. The Grant Deed signed by the authorized representative(s) of Seller in recordable form;

4.7.2 Escrow Closing Statement. The Seller's Escrow Closing Statement signed by the authorized representative(s) of Seller;

4.7.3 FIRPTA Affidavit. A FIRPTA affidavit signed by the authorized representative(s) of Seller, in the form used by the Escrow Agent;

4.7.4 Form 593. A Form 593 signed by the authorized representative(s) of Seller; and

4.7.5 Other Reasonable Items. Any other documents or funds required to be delivered by Seller under the terms of this Agreement or as otherwise reasonably requested by Escrow Agent or Title Company in order to close the Escrow or comply with applicable Law that have not been previously delivered by Seller.

4.8 Closing Procedure. When each of Buyer's Escrow deposits, as set forth in Section 4.6 of this Agreement, and each of Seller's Escrow deposits as set forth in Section 4.7 of this

Agreement, are deposited into Escrow, Escrow Agent shall request confirmation in writing from both Buyer and Seller that each of their respective conditions precedent to the Close of Escrow, as set forth in Sections 4.4 and 4.5, respectively, are satisfied or waived. Upon Escrow Agent's receipt of written confirmation from both Buyer and Seller that each of their respective conditions precedent to the Close of Escrow are satisfied or waived, Escrow Agent shall close the Escrow by doing all of the following:

4.8.1 Recording and Distribution of Documents. Escrow Agent shall cause the following documents to be filed with the Recorder of the County for recording in the official records of the County regarding the Property in the following order of priority at Close of Escrow: (a) the Grant Deed; and (b) any other documents to be recorded regarding the Property through the Escrow upon the joint instructions of the Parties. At Close of Escrow, Escrow Agent shall deliver conformed copies of all documents filed for recording with in the official records of the County through the Escrow to Seller, Buyer and any other Person designated in the written joint escrow instructions of the Parties to receive an original or conformed copy of each such document. Each conformed copy of a document filed for recording by Escrow Agent pursuant to this Agreement shall show all recording information. The Parties intend and agree that this Section 4.8.1 shall establish the relative priorities of the documents to be recorded in the official records of the County through the Escrow, by providing for recordation of senior interests prior to junior interests, in the order provided in this Section 4.8.1;

4.8.2 Funds. Distribute all funds held by the Escrow Agent pursuant to the Escrow Closing Statements approved in writing by Seller and Buyer, respectively;

4.8.3 FIRPTA Affidavit. File the FIRPTA Affidavit with the United States Internal Revenue Service;

4.8.4 Form 593. File the Form 593 with the California Franchise Tax Board; and

4.8.5 Title Policy. Obtain from the Title Company and deliver to Buyer the Buyer Title Policy issued by the Title Company, with a copy delivered to Seller.

4.9 Close of Escrow. The Close of Escrow shall occur on or before the Escrow Closing Date. The Parties may mutually agree to change the Escrow Closing Date by joint written instruction to Escrow Agent. The Executive Director in his or her sole and absolute discretion, acting on behalf of the Seller, is authorized to agree to one or more extensions of the Escrow Closing Date on behalf of Seller up to a maximum time period extension of ninety (90) days in the aggregate. If for any reason (other than a Default or Event of Default by such Party) the Close of Escrow has not occurred on or before the Escrow Closing Date, then any Party not then in Default under this Agreement may cancel the Escrow and terminate this Agreement, without liability to the other Party or any other Person for such cancellation and termination, by delivering Notice of termination to both the other Party and Escrow Agent. Following any such Notice of termination of this Agreement and cancellation of the Escrow, the Parties and Escrow Agent shall proceed pursuant to Section 4.13 of this Agreement. Without limiting the right of either Party to cancel the Escrow and terminate this Agreement pursuant to this Section 4.9, if the Escrow does not close on or before the Escrow Closing Date and neither Party has exercised its contractual right to cancel

the Escrow and terminate this Agreement under this Section 4.9 before the first date on which Escrow Agent Notifies both Parties that Escrow is in a position to close in accordance with the terms and conditions of this Agreement, then the Escrow shall close as soon as reasonably possible following the first date on which Escrow Agent Notifies both Parties that Escrow is in a position to close in accordance with the terms and conditions of this Agreement.

4.10 Escrow Costs. Escrow Agent shall Notify Buyer and Seller of the costs to be borne by each of them at the Close of Escrow by delivering an Escrow Closing Statement to both Seller and Buyer at least four (4) Business Days prior to the Escrow Closing Date. Each Party shall pay its own costs and expenses arising in connection with the Close of Escrow (including, without limitation, its own attorneys' and advisors' fees, charges, and disbursements), except the following costs ("Closing Costs"), which shall be allocated between the Parties as follows:

(a) Escrow Agent charges for the conduct of the Escrow shall be paid one-half (1/2) by Seller and one-half (1/2) by Buyer;

(b) The cost of the Buyer Title Policy attributable to the standard coverage portion shall be paid by Seller;

(c) The cost of the Buyer Title Policy attributable to the extended coverage portion or any additional coverage and any endorsements shall be paid by Buyer;

(d) The cost of any and all State, County, or City documentary stamps or transfer taxes regarding the conveyance of the Property through the Escrow shall be paid by Buyer;

(e) The cost of any recording fees in connection with the recording of any documents in the official records of the County for the Close of Escrow and any and all other charges, fees, and taxes levied by each and every Government relative to the conveyance of the Property through Escrow shall be paid by Buyer;

(f) Ad valorem taxes and assessments, if any, upon the Property, prior to the conveyance of title of the Property to Buyer shall be paid by Seller, and after the conveyance of title of the Property to Buyer shall be paid by Buyer consistent with Section 4.11 of this Agreement; and

(g) All other closing fees and costs shall be charged to and paid by Seller and Buyer in accordance with customary practices in the County.

4.11 Allocation of Taxes. Real Estate Taxes relating to the Property, if any, shall be prorated between Seller and Buyer as of Midnight on the date prior to the Close of Escrow.

4.12 Escrow Cancellation Charges. If the Escrow fails to close due to Seller's Default under this Agreement, Seller shall pay all ordinary and reasonable Escrow and title order cancellation charges charged by Escrow Agent or Title Company, respectively. If the Escrow fails to close due to Buyer's Default under this Agreement, Buyer shall pay all ordinary and reasonable Escrow and title order cancellation charges charged by Escrow Agent or Title Company,

respectively. If the Escrow fails to close for any reason other than the Default of either Buyer or Seller, Buyer and Seller shall each pay one-half (1/2) of any ordinary and reasonable Escrow and title order cancellation charges charged by Escrow Agent or Title Company, respectively.

4.13 Escrow Cancellation. If this Agreement is terminated pursuant to a contractual right granted to a Party in this Agreement to terminate this Agreement (other than due to an Event of Default by the other Party), the Parties shall do all of the following:

4.13.1 Cancellation Instructions. The Parties shall, within three (3) Business Days following Escrow Agent's written request, sign any reasonable Escrow cancellation instructions requested by Escrow Agent;

4.13.2 Return of Funds and Documents. Within ten (10) Business Days following receipt by the Parties of a settlement statement of Escrow and title order cancellation charges from Escrow Agent (if any) or within twenty (20) calendar days following Notice of termination, whichever is earlier: (a) Buyer or Escrow Agent shall return to Seller all documents previously delivered by Seller to Buyer or Escrow Agent, respectively, regarding the Property or the Escrow; (b) Seller or Escrow Agent shall return to Buyer all documents previously delivered by Buyer to Seller or Escrow Agent, respectively, regarding the Property or the Escrow; (c) Escrow Agent shall, unless otherwise expressly provided in this Agreement, return to Buyer all funds deposited in Escrow by Buyer, less Buyer's share of customary and reasonable Escrow and title order cancellation charges (if any) in accordance with Section 4.12 of this Agreement; and (d) Escrow Agent shall, unless otherwise provided in this Agreement, return to Seller all funds deposited in Escrow by Seller, less Seller's share of customary and reasonable Escrow and title order cancellation charges (if any) in accordance with Section 4.12 of this Agreement.

4.14 Report to IRS. After the Close of Escrow and prior to the last date on which such report is required to be filed with the Internal Revenue Service under applicable Federal law, if such report is required pursuant to Internal Revenue Code Section 6045(e), Escrow Agent shall report the gross proceeds of the purchase and sale of the Property to the Internal Revenue Service on Form 1099-B, W-9 or such other form(s) as may be specified by the Internal Revenue Service pursuant to Internal Revenue Code Section 6045(e). Concurrently with the filing of such reporting form with the Internal Revenue Service, Escrow Agent shall deliver a copy of the filed form to both Seller and Buyer.

4.15 Condemnation. If any material portion of the Property, or any interest in any portion of the Property, is taken by condemnation prior to the Close of Escrow by any condemning authority other than Seller, including, without limitation, the filing of any notice of intended condemnation or proceedings in the nature of eminent domain, commenced by any governmental authority, other than Seller, Seller shall immediately give Buyer Notice of such occurrence, and Buyer shall have the option, exercisable within ten (10) Business Days after receipt of such Notice from Seller, to either: (i) terminate this Agreement; or (ii) continue with this Agreement in accordance with its terms, in which event Seller shall assign to Buyer any right of Seller to receive any condemnation award attributable to the Property.

5. REMEDIES AND INDEMNITY

1



 Initials of Authorized
 Buyer representative(s)

5.1.5 STATEMENT OF INTENT. CALIFORNIA CIVIL CODE SECTION 1542 NOTWITHSTANDING, IT IS THE INTENTION OF BUYER TO BE BOUND BY THE LIMITATIONS ON DAMAGES AND REMEDIES SET FORTH IN THIS SECTION 5.1, AND BUYER HEREBY RELEASES ANY AND ALL CLAIMS AGAINST SELLER FOR MONETARY DAMAGES, MONETARY RECOVERY OR OTHER LEGAL OR EQUITABLE RELIEF RELATED TO ANY EVENT OF DEFAULT UNDER THIS AGREEMENT BY SELLER, EXCEPT AS SPECIFICALLY PROVIDED IN THIS SECTION 5.1, WHETHER OR NOT ANY SUCH RELEASED CLAIMS WERE KNOWN OR UNKNOWN TO BUYER AS OF THE EFFECTIVE DATE OF THIS AGREEMENT.

5.2 LIQUIDATED DAMAGES TO SELLER. IF THE CLOSE OF ESCROW DOES NOT OCCUR ON OR BEFORE THE ESCROW CLOSING DATE DUE TO BUYER'S DEFAULT, THEN SELLER SHALL RETAIN THE DEPOSIT AS LIQUIDATED DAMAGES. THE AMOUNT OF THE DEPOSIT IS THE REASONABLE ESTIMATE BY THE PARTIES OF THE DAMAGES SELLER WOULD SUFFER FROM SUCH DEFAULT, IT BEING AGREED THAT IT IS EXTREMELY DIFFICULT, IF NOT IMPOSSIBLE AND IMPRACTICABLE, TO FIX THE EXACT AMOUNT OF DAMAGE THAT WOULD BE INCURRED BY SELLER AS A RESULT OF SUCH DEFAULT BY BUYER. UPON SUCH A DEFAULT BY BUYER, ESCROW SHALL BE CANCELED AND THE PARTIES SHALL PROCEED IN ACCORDANCE WITH SECTION 4.12 OF THIS AGREEMENT. IN ADDITION, IF ALL OR ANY PORTION OF THE DEPOSIT HAS BEEN DEPOSITED INTO ESCROW BY BUYER, ESCROW AGENT IS HEREBY IRREVOCABLY INSTRUCTED BY BUYER AND SELLER TO DISBURSE THE DEPOSIT TO SELLER AS LIQUIDATED DAMAGES FOR BUYER'S DEFAULT UNDER THIS AGREEMENT AND FAILURE TO COMPLETE THE PURCHASE OF THE PREMISES, PURSUANT TO CALIFORNIA CIVIL CODE SECTIONS 1671, ET. SEQ.

5.3 Legal Actions. Either Party may institute legal action, at law or in equity, to enforce or interpret the rights or obligations of the Parties under this Agreement or recover damages, subject to the provisions of Section 5.1 or Section 5.2 of this Agreement, as applicable.

5.4 Rights and Remedies are Cumulative. Except as otherwise expressly stated in this Agreement, the rights and remedies of the Parties set forth in this Agreement are cumulative and the exercise by either Party of one or more of such rights or remedies shall not preclude the exercise by such Party, at the same or different times, of any other rights or remedies for the same Default or the same rights or remedies for any other Default by the other Party.

5.5 Indemnification.

5.5.1 Buyer Indemnification Obligations. Buyer shall Indemnify the Seller Parties against any Claim related to this Agreement to the extent such Claim arises from: (a) any

act, omission or negligence of the Buyer; (b) any agreements that Buyer (or anyone claiming by or through Buyer) makes with a Third Person regarding the property; (c) any worker's compensation claim or determination relating to any employee of Buyer or its contractors; or (d) any Environmental Claim attributable to any action or omission of Buyer.

5.5.2 Independent of Insurance Obligations. Buyer's indemnification obligations under this Agreement shall not be construed or interpreted as in any way restricting, limiting, or modifying Buyer's insurance or other obligations under this Agreement. Buyer's obligation to Indemnify the Seller Parties under this Agreement is independent of Buyer's insurance and other obligations under this Agreement. Buyer's compliance with Buyer's insurance obligations and other obligations under this Agreement shall not in any way restrict, limit or modify Buyer's indemnification obligations under this Agreement and are independent of Buyer's indemnification and other obligations under this Agreement.

5.5.3 Survival of Indemnification and Defense Obligations. The indemnity and defense obligations of the Buyer under this Agreement shall survive the expiration or earlier termination of this Agreement.

5.5.4 Indemnification Procedures. Wherever this Agreement requires any Indemnitor to Indemnify any Indemnitee:

(a) *Prompt Notice.* The Indemnitee shall promptly Notify the Indemnitor of any Claim.

(b) *Selection of Counsel.* The Indemnitor shall select counsel reasonably acceptable to Indemnitee. If the Indemnitee, in good faith, determines that its interests are not adequately protected by being provided a defense by the Indemnitor, the Indemnitee (and the other Indemnified parties) may, at its election, conduct the defense or participate in the defense of any Claim related in any way to this indemnification. If the Indemnitee, on behalf of the Indemnified parties, makes the foregoing election to conduct its own defense or obtain independent legal counsel in defense of any Claim related to this indemnification, then the Indemnitor shall pay all of the Legal Costs related thereto, including, without limitation, reasonable attorneys' fees and costs.

(c) *Cooperation.* The Indemnitee shall reasonably cooperate with the Indemnitor's defense of the Indemnitee.

(d) *Settlement.* The Indemnitor may only settle a Claim with the consent of the Indemnitee. Any settlement shall procure a complete release of the Indemnitee from the subject Claims, shall not require the Indemnitee to make any payment to the claimant and shall provide that neither the Indemnitee, nor the Indemnitor on behalf of the Indemnitee, admits any liability.

6. GENERAL PROVISIONS

6.1 Incorporation of Recitals. The Recitals of fact set forth preceding this Agreement are true and correct and are incorporated into this Agreement in their entirety by

this reference.

6.2 Notices, Demands and Communications Between the Parties.

6.2.1 Delivery. Any and all Notices submitted by any Party to another Party pursuant to or as required by this Agreement shall be proper, if in writing and sent by messenger for immediate personal delivery, nationally recognized overnight (one Business Day) delivery service (i.e., United Parcel Service, Federal Express, etc.) or by registered or certified United States mail, postage prepaid, return receipt requested, to the address of the recipient Party, as designated below in Section 6.2.2. Notice may be sent in the same manner to such other addresses as either Party may from time to time designate by Notice in accordance with this Section 6.2. Notice shall be deemed received by the addressee, regardless of whether or when any return receipt is received by the sender or the date set forth on such return receipt, on the day that the Notice is sent by messenger for immediate personal delivery, one Business Day after delivery to a nationally recognized overnight delivery service or three (3) calendar days after the Notice is placed in the United States mail in accordance with this Section 6.2. Any attorney representing a Party may give any Notice on behalf of such Party.

6.2.2 Addresses. The Notice addresses for the Parties, as of the Effective Date of this Agreement, are as follows:

To Buyer: Centro Indy, LLC
Attn: Andrew Held
770 3rd Avenue S.W.
Carmel, Indiana 46032

To Seller: Successor Agency to the Community Development
Commission as the National City Redevelopment Agency
1243 National City Boulevard
National City, California 91950
Attention: Executive Director

With a Copy to: Claudia Silva, General Counsel/City Attorney
City of National City
1243 National City Boulevard
National City, California 91950

6.3 Relationship of Parties. The Parties each intend and agree that Seller and Buyer are independent contracting entities and do not intend by this Agreement to create any partnership, joint venture or similar business arrangement, relationship or association between them.

6.4 Warranty Against Payment of Consideration for Agreement. Buyer represents and warrants to Seller that: (a) Buyer has not employed or retained any Person to solicit or secure this Agreement upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, excepting bona fide employees of Buyer and Third Persons to whom fees are paid for professional services related to the documentation of this Agreement;

and (b) no gratuities, in the form of entertainment, gifts or otherwise have been or will be given by Buyer or any of Buyer's agents, employees or representatives to any elected or appointed official or employee of the Seller in an attempt to secure this Agreement or favorable terms or conditions for this Agreement. Breach of the representations or warranties of this Section 6.4 shall entitle Seller to terminate this Agreement and cancel the Escrow (if open) upon seven (7) calendar days Notice to Buyer and, if the Escrow is open, to Escrow Agent. Upon any such termination of this Agreement, Buyer shall immediately refund any payments made to or on behalf of Buyer by Seller pursuant to this Agreement or otherwise related to the Property, any Approval or any CEQA Document, prior to the date of such termination.

6.5 Calculation of Time Periods. Unless otherwise specified, all references to time periods in this Agreement measured in days shall be to consecutive calendar days, all references to time periods in this Agreement measured in months shall be to consecutive calendar months and all references to time periods in this Agreement measured in years shall be to consecutive calendar years. Any reference to Business Days in this Agreement shall mean consecutive Business Days.

6.6 Principles of Interpretation. No inference in favor of or against any Party shall be drawn from the fact that such Party has drafted any part of this Agreement. The Parties have both participated substantially in the negotiation, drafting and revision of this Agreement, with advice from legal or other counsel and advisers of their own selection. A word, term or phrase defined in the singular in this Agreement may be used in the plural, and vice versa, all in accordance with ordinary principles of English grammar, which shall govern all language in this Agreement. The words "include" and "including" in this Agreement shall be construed to be followed by the words "without limitation". Each collective noun in this Agreement shall be interpreted as if followed by the words "(or any part of it)", except where the context clearly requires otherwise. Every reference to any document, including this Agreement, refers to such document, as modified from time to time (excepting any modification that violates this Agreement), and includes all exhibits, schedules, addenda and riders to such document. The word "or" in this Agreement includes the word "and". Every reference to a law, statute, regulation, order, form or similar governmental requirement refers to each such requirement as amended, modified, renumbered, superseded or succeeded, from time to time.

6.7 Governing Law. The procedural and substantive laws of the State shall govern the interpretation and enforcement of this Agreement, without application of conflicts or choice of laws principles or statutes. The Parties acknowledge and agree that this Agreement is entered into, is to be fully performed in and relates to real property located in the County of San Diego, State of California. All legal actions arising from this Agreement shall be filed in the Superior Court of the State in and for the County or in the United States District Court with jurisdiction in the County.

6.8 Unavoidable Delay; Extension of Time of Performance.

6.8.1 Notice. Subject to any specific provisions of this Agreement stating that they are not subject to Unavoidable Delay or otherwise limiting or restricting the effects of an Unavoidable Delay, performance by either Party under this Agreement shall not be deemed or considered to be in Default, where any such Default is due to the occurrence of an Unavoidable

Delay. Any Party claiming an Unavoidable Delay shall Notify the other Party: (a) within three (3) calendar days after such Party knows of any such Unavoidable Delay; and (b) within three (3) calendar days after such Unavoidable Delay ceases to exist. To be effective, any Notice of an Unavoidable Delay must describe the Unavoidable Delay in reasonable detail. The Party claiming an extension of time to perform due to an Unavoidable Delay shall exercise commercially reasonable efforts to cure the condition causing the Unavoidable Delay, within a reasonable time. The extension of time for performance under this Agreement resulting from the occurrence of an Unavoidable Delay shall commence on the date of occurrence of the condition causing the Unavoidable Delay and shall, except for a legal action described in Section 6.12 of this Agreement, in no event be longer than ninety (90) calendar days after written Notice is received by a Party from the other Party of the occurrence of such an Unavoidable Delay.

6.8.2 Assumption of Economic Risks. EACH PARTY EXPRESSLY AGREES THAT ADVERSE CHANGES IN ECONOMIC CONDITIONS, OF EITHER PARTY SPECIFICALLY OR THE ECONOMY GENERALLY, OR CHANGES IN MARKET CONDITIONS OR DEMAND OR CHANGES IN THE ECONOMIC ASSUMPTIONS OF EITHER PARTY THAT MAY HAVE PROVIDED A BASIS FOR ENTERING INTO THIS AGREEMENT SHALL NOT OPERATE TO EXCUSE OR DELAY THE PERFORMANCE OF EACH AND EVERY ONE OF EACH PARTY'S OBLIGATIONS AND COVENANTS ARISING UNDER THIS AGREEMENT. ANYTHING IN THIS AGREEMENT TO THE CONTRARY NOTWITHSTANDING, THE PARTIES EXPRESSLY ASSUME THE RISK OF UNFORESEEABLE CHANGES IN ECONOMIC CIRCUMSTANCES OR MARKET DEMAND OR CONDITIONS AND WAIVE, TO THE GREATEST EXTENT ALLOWED BY LAW, ANY DEFENSE, CLAIM, OR CAUSE OF ACTION BASED IN WHOLE OR IN PART ON ECONOMIC NECESSITY, IMPRACTICABILITY, CHANGED ECONOMIC CIRCUMSTANCES, FRUSTRATION OF PURPOSE, OR SIMILAR THEORIES. THE PARTIES AGREE THAT ADVERSE CHANGES IN ECONOMIC CONDITIONS, EITHER OF THE PARTY SPECIFICALLY OR THE ECONOMY GENERALLY, OR CHANGES IN MARKET CONDITIONS OR DEMANDS, SHALL NOT OPERATE TO EXCUSE OR DELAY THE STRICT OBSERVANCE OF EACH AND EVERY ONE OF THE OBLIGATIONS, COVENANTS, CONDITIONS AND REQUIREMENTS OF THIS AGREEMENT. THE PARTIES EXPRESSLY ASSUME THE RISK OF SUCH ADVERSE ECONOMIC OR MARKET CHANGES, WHETHER OR NOT FORESEEABLE AS OF THE EFFECTIVE DATE.

Initials of Authorized
Seller Representative(s)

Initials of Buyer

6.9 Tax Consequences. Buyer acknowledges and agrees that Buyer shall bear any and all responsibility, liability, costs or expenses connected in any way with any tax consequences experienced by Buyer related to this Agreement.

6.10 Real Estate Commissions.

6.10.1 Seller Warranty. Seller: (a) represents and warrants that Seller did not

engage or deal with any broker or finder in connection with this Agreement, and no Person is entitled to any commission or finder's fee regarding this Agreement on account of any agreement or arrangement made by Seller; and (b) shall Indemnify Buyer against any breach of the representation and warranty set forth in Subsection (a) of this Section 6.10.1.

6.10.2 Buyer Warranty. Buyer: (a) represents and warrants that Buyer did not engage or deal with any broker or finder in connection with this Agreement, and no Person is entitled to any commission or finder's fee regarding this Agreement on account of any agreement or arrangement made by Buyer; and (b) shall Indemnify Seller against any breach of the representation and warranty set forth in Subsection (a) of this Section 6.10.2.

6.11 No Third-Party Beneficiaries. Nothing in this Agreement, express or implied, is intended to confer any rights or remedies under or by reason of this Agreement on any Person other than the Parties and their respective permitted successors and assigns, nor is anything in this Agreement intended to relieve or discharge any obligation of any Third Person to any Party or give any Third Person any right of subrogation or action over or against any Party.

6.12 Buyer Assumption of Risks of Legal Challenges. Buyer assumes the risk of delays or damages that may result to Buyer from each and every Third Person legal action related to Seller's approval of this Agreement or any associated Approvals, even in the event that an error, omission or abuse of discretion by Seller is determined to have occurred. If a Third Person files a legal action regarding Seller's approval of this Agreement or any associated Approvals (exclusive of legal actions alleging violation of Government Code Section 1090 by officials of Seller), Buyer shall have the option to either: (a) cancel the Escrow and terminate this Agreement, in which case the Parties and the Escrow Agent shall proceed in accordance with Section 4.13 of this Agreement; or (b) Indemnify Seller against such Third Person legal action, including all Legal Costs, monetary awards, sanctions and the expenses of any and all financial or performance obligations resulting from the disposition of the legal action; provided, however, that option "(a)" under this Section 6.12 shall only be available to Buyer prior to the Close of Escrow. Should Buyer fail to Notify Seller of Buyer's election pursuant to this Section 6.12 at least fifteen (15) calendar days before response to the legal action is required by Seller, prior to the Close of Escrow, Buyer shall be deemed to have elected to cancel the Escrow and terminate this Agreement pursuant to this Section 6.12 and, following the Close of Escrow, Buyer shall be deemed to have elected to Indemnify Seller against such Third Person legal action pursuant to this Section 6.12, all without further Notice to or action by either Party. Seller shall reasonably cooperate with Buyer in defense of Seller in any legal action subject to this Section 6.12, subject to Buyer completely performing Buyer's indemnity obligations for such legal action. Should Buyer elect or be deemed to elect to Indemnify Seller regarding a legal action subject to this Section 6.12, but fail to or stop providing such indemnification of Seller, then Seller shall have the right to terminate this Agreement or cancel the Escrow (or both) by Notice to Buyer and, if the Escrow is open, to the Escrow Agent. Nothing contained in this Section 6.12 is intended to be nor shall be deemed or construed to be an express or implied admission that Seller may be liable to Buyer or any Person for damages or other relief regarding an alleged or established failure of Seller to comply with the law. Any legal action that is subject to this Section 6.12 (including any appeal periods and the pendency of any appeals) shall constitute an Unavoidable Delay and the time periods for performance by either Party under this Agreement may be extended pursuant to the provisions

of this Agreement regarding Unavoidable Delay.

6.13 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective heirs, executors, administrators, legal representatives, successors and assigns.

6.14 Time Declared to be of the Essence. As to the performance of any obligation under this Agreement of which time is a component, the performance of such obligation within the time specified is of the essence.

6.15 Entire Agreement. This Agreement integrates all of the terms and conditions mentioned in this Agreement or incidental to this Agreement, and supersedes all prior or contemporaneous negotiations or previous agreements between the Parties, whether written or oral, with respect to all or any portion of the Property.

6.16 Waivers and Amendments. All waivers of the provisions of this Agreement must be in writing and signed by the authorized representative(s) of the Party making the waiver. All amendments to this Agreement must be in writing and signed by the authorized representative(s) of both Seller and Buyer.

6.17 No Implied Waiver. Failure to insist on any one occasion upon strict compliance with any term, covenant, condition, restriction or agreement contained in this Agreement shall not be deemed a waiver of such term, covenant, condition, restriction or agreement, nor shall any waiver or relinquishment of any rights or powers under this Agreement, at any one time or more times, be deemed a waiver or relinquishment of such right or power at any other time or times.

6.18 Executive Director Implementation. Seller shall implement this Agreement through the Executive Director, acting on behalf of the Seller. The Executive Director or his/her designee is hereby authorized by Seller to enter into agreements and sign documents referenced in this Agreement or reasonably required to implement this Agreement on behalf of Seller, to issue approvals, interpretations or waivers, and to enter into certain amendments to this Agreement on behalf of Seller, to the extent that any such action(s) does/do not increase the monetary obligations of Seller. All other actions shall require the consideration and approval of the Seller's governing body, unless expressly provided otherwise by action of the Seller's governing body. Nothing in this Section 6.18 shall restrict the submission to the Seller's governing body of any matter within the Executive Director's authority under this Section 6.18, in the Executive Director's sole and absolute discretion, to obtain the Seller's governing body's express and specific authorization on such matter. The specific intent of this Section 6.18 is to authorize certain actions on behalf of Seller by the Executive Director, but not to require that such actions be taken by the Executive Director including, without limitation, any extension(s) granted pursuant to Section 4.9 of this Agreement, without consideration by Seller's governing body.

6.19 Survival of Agreement. All of the provisions of this Agreement shall be applicable to any dispute between the Parties arising from this Agreement, whether prior to or following expiration or termination of this Agreement, until any such dispute is finally and

completely resolved between the Parties, either by written settlement, entry of a non-appealable judgment or expiration of all applicable statutory limitations periods and all terms and conditions of this Agreement relating to dispute resolution, indemnity or limitations on damages or remedies shall survive any expiration or termination of this Agreement.

6.20 Counterparts. This Agreement shall be signed in three (3) triplicate originals, each of which is deemed to be an original.

6.21 Facsimile or Electronic Signatures. Signatures delivered by facsimile or electronic mail shall be binding as originals upon the Party so signing and delivering; provided, however, that original signature(s) of each Party shall be required for each document to be recorded.

[Signatures on following page]

**SIGNATURE PAGE
TO
REAL PROPERTY PURCHASE AND SALE AGREEMENT AND JOINT ESCROW
INSTRUCTIONS**

IN WITNESS WHEREOF, the Parties have signed and entered into this Agreement by and through the signatures of their respective authorized representative(s) as follows:

"SELLER"**"BUYER"**

SUCCESSOR AGENCY TO THE
COMMUNITY DEVELOPMENT
COMMISSION AS THE NATIONAL CITY
REDEVELOPMENT AGENCY, a California
public entity

CENTRO INDY, LLC, an Indiana limited
liability company
**see notes below*

By: _____
Name: _____
Title: Executive Director

By: 
Name: Andrew J. Held
Title: President

ATTEST:

By: _____
Name: _____
Title: Secretary

By: 
Name: _____
Title: CEO

APPROVED AS TO FORM:

By: _____
Name: Claudia Gacitua Silva
Title: General Counsel

***Notes:** This document must be executed by the Corporation's Chief Executive Officer, President or Vice-President, on the one hand, and the Corporations' Chief Financial Officer, Treasurer, Assistant Treasurer or Secretary on the other hand.

KANE, BALLMER & BERKMAN

By: _____
Name: _____
Title: Special Counsel

EXHIBIT "A"
TO
REAL PROPERTY PURCHASE AND SALE AGREEMENT AND JOINT
ESCROW INSTRUCTIONS

Property Legal Description

The land referred to herein is situated in the State of California, County of San Diego, City of National City and described as follows:

A Condominium comprised of:

PARCEL 1:

An undivided 1/61st fee simple interest as a tenant in common in and to Lot 1, of Map No. 15807, in the City of National City, County of San Diego, State of California, filed in the Office of the Recorder of San Diego County, on December 30, 2010, as File No. 2010-0729372 of Official Records.

EXCEPTING THEREFROM, the Association Property and Units 101 through 419, inclusive, Units 101—104 inclusive; 201—219 inclusive; 301—319 inclusive; 401—419 inclusive of said Lot 1, of Map No. 15807, as shown on that certain Condominium Plan, recorded on April 19, 2011, as Instrument No. 2011-0202639, of Official Records, in the Office of the County Recorder of San Diego County ("Condominium Plan").

ALSO EXCEPTING THEREFROM, for the benefit of Grantor, its successors in interest, and others, together with the right to grant the same to others, such Exclusive Use Association Property easements as defined, described and shown in said Condominium Plan and the Declaration of Establishment of Conditions, Covenants and Restrictions for Centro ("Declaration"), recorded on April 19, 2011, as Instrument No. 2011-0202640, of the Official Records of San Diego County, California, including any amendments thereto.

PARCEL 2:

Unit No. 401, of said Lot 1, of Map No. 15807, as shown and described in said Condominium Plan.

PARCEL 3:

Those certain Exclusive Use Association Property balcony and/or patio shown and designated in the above-referenced Condominium Plan located adjacent to the Unit, consisting of exclusive easements for use thereof appurtenant to Parcels 1 and 2 above, as defined and described in the Declaration and the Condominium Plan.

EXHIBIT A

PARCEL 4:

Those certain Exclusive Use Association Property parking spaces shown and designated in the above-referenced Condominium Plan with the designation "49&50", consisting of exclusive easements for use thereof appurtenant to Parcels 1 and 2 above, as defined and described in the Declaration and the Condominium Plan.

PARCEL 5:

Nonexclusive easements for access, ingress, egress, use, enjoyment, drainage, encroachment, support, maintenance, repairs, and for other purposes, all as described in the Declaration.

APN: 556-554-22-43

EXHIBIT A

EXHIBIT "B"
TO
REAL PROPERTY PURCHASE AND SALE AGREEMENT AND JOINT
ESCROW INSTRUCTIONS

Grant Deed

[behind this page]

EXHIBIT B